



NATIONAL LABOR RELATIONS BOARD

OFFICE OF THE GENERAL COUNSEL

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NLRB ANNOUNCES COMPLETION OF COMPLIANCE IN DUBUQUE PACKING CO. WITH \$3.9 MILLION SETTLEMENT

Fred Feinstein, General Counsel of the National Labor Relations Board, announced today that BeefAmerica, Inc. which is the successor to Dubuque Packing Company, Inc., has made a final "balloon" installment payment of \$3,162,000 in backpay and interest to 1668 former employees of Dubuque Packing in settlement of charges brought by United Food & Commercial Workers, Local Union No. 150-A. BeefAmerica already had paid \$758,000 in the first installment of the formal settlement. This brings the total backpay and interest collected to \$3,920,000.

The case arose in 1981, when Dubuque Packing closed its hog processing operation at its Dubuque, Iowa meat packing plant and relocated the work to Rochelle, Illinois without affording the union an opportunity to bargain over this decision. As a result of the relocation, approximately 550 jobs were lost at the Dubuque plant. At the same time, the company forced the union to agree to cut the wages of the remaining employees by \$1.89 per hour and reduced benefits by threatening to close the remaining operations at Dubuque, Iowa. The wage and benefit cuts followed the union's earlier agreement to take concessions in exchange for the company's promise to keep the plant in full operation and maintain the wage and benefit levels.

The Board's decision in the *Dubuque Packing* case (303 NLRB 386, June 14, 1991) was a significant development in defining the parameters of employers' bargaining obligations in plant relocation situations and formulated a new analysis for relocation decisions following the U. S. Supreme Court's concerns set forth in *First National Maintenance*. The case had been the subject of extensive litigation before the Board, the U. S. Court of Appeals for the District of Columbia, and had been before the Supreme Court on a grant of certiorari at the time of the formal settlement in 1994. This final resolution of the outstanding backpay and interest obligation will conclude 15 years of litigation and will finally put to rest the complicated and time consuming compliance stage of this proceeding.

In announcing completion of compliance achieved by the NLRB's Regional Office in Peoria, Illinois, General Counsel Feinstein stated:

"This settlement finally resolves a protracted labor dispute that disrupted the lives of 1,700 employees and their families. The underlying litigation provided the Board with an opportunity to establish clearly defined tests to provide guidance and predictability to parties in a collective bargaining relationship on the bargaining obligation of a decision to relocate unit work. I want to

commend the Region 33 staff who worked so diligently to achieve this settlement and calculate and distribute the backpay and interest, and in particular Regional Director Glenn Zipp, Trial Attorney Judith Poltz, Compliance Officer Ron Symkowiak and Compliance Assistant Kim Ritthaler.”

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